

**CITY OF EL PASO, TEXAS  
REQUEST FOR COUNCIL ACTION (RCA)**

**DEPARTMENT:** Community and Human Development

**AGENDA DATE:** March 29, 2005

**CONTACT PERSON/PHONE:** Robert Salinas, 541-4377

**DISTRICT(S) AFFECTED:** All Districts

**SUBJECT:**

**APPROVE** a resolution / ordinance / lease to do what? **OR AUTHORIZE** the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

That the City Council approve the following amendments to Chapter 5, Program for the Rehabilitation of Investor-Owned Properties, of the Community and Human Development Housing Programs Handbook as recommended by the Community and Human Development Director:

1. Section II. FINANCING. Subsection A. on Page 5-3 is being amended by adding the sentence "An exception to the first lien requirement will be made for highly-leveraged and/or tax credit projects resulting in a minimum of 100 after-rehabilitation units of new affordable housing and where the City's contribution will not exceed 20% of the total project cost."

**BACKGROUND / DISCUSSION:**

**Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?**

Amendment of the Community and Human Development Housing Programs Handbook, Chapter 5, Program for the Rehabilitation of Investor-Owned Properties will allow for the exception to the requirement that the City of El Paso have first lien position on the property to secure a rehabilitation loan. An exception will be permitted when the applicant's project is highly leveraged and/or utilizing tax credits and will generate at least 100 new affordable housing units.

**PRIOR COUNCIL ACTION:**

**Has the Council previously considered this item or a closely related one?**

Council amended the policy in August of 2004 allowing for the refinancing of up to \$5,000 per unit to allow the City of El Paso to have first lien position for the rehabilitation loan.

**AMOUNT AND SOURCE OF FUNDING:**

**How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?**


N/A

**BOARD / COMMISSION ACTION:**  
Enter appropriate comments or N/A

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**LEGAL:** (if required)

  
John Nance,  
Assistant City Attorney

**FINANCE:** (if required)

**DEPARTMENT HEAD:**

  
Robert A Salinas, Director

(Example: if RCA is initiated by Purchasing, client department should sign also)  
*Information copy to appropriate Deputy City Manager*

**APPROVED FOR AGENDA:**

**CITY MANAGER:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## **R E S O L U T I O N**

**WHEREAS**, Chapter 5, Program for the Rehabilitation of Investor-Owned Properties, of the Community and Human Development Housing Programs Handbook currently requires that the City must have a first lien on the property in order to secure a loan for rehabilitation of an investor-owned property under the Housing Program; and

**WHEREAS**, the City Council of the City of El Paso has determined that there are circumstances under which an exception should be granted for the first-lien requirement in the Housing Programs Handbook;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

**THAT** the City Council approve the following amendment to Chapter 5, Program for the Rehabilitation of Investor-Owned Properties, of the Community and Human Development Housing Programs Handbook, as recommended by the Community and Human Development Director:

1. Section II. FINANCING. Subsection A. on Page 5-3 is amended by adding the following sentence at the end of the paragraph:

An exception to the first-lien requirement will be made for highly leveraged and/or tax-credit projects resulting in a minimum of 100 after-rehabilitation units of new affordable housing and where the City's contribution will not exceed 20% of the total project cost.

2. The remaining provisions of Chapter 5, Program for the Rehabilitation of Investor-Owned Properties, of the Community and Human Development Housing Programs Handbook shall continue in full force and effect.

**ADOPTED** this 29<sup>th</sup> day of March, 2005.

(Signatures on following page)

THE CITY OF EL PASO

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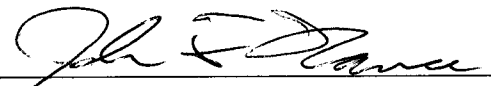
Joe Wardy  
Mayor

ATTEST:

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Richarda Duffy Momsen  
City Clerk

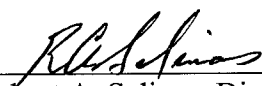
APPROVED AS TO FORM:



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John F. Nance  
Assistant City Attorney

APPROVED AS TO CONTENT:



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Robert A. Salinas, Director  
Community and Human Development